



The Upside
of Rise

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May 29, 2019



1 Mahindra Tractors
2 Swaraj Tractors

INDIA'S MOST ATTRACTIVE TRACTORS BRAND 2018



A proud moment for all of us at Mahindra FES. Mahindra Tractors is 'India's Best Tractor Brand', according to TRA (Trust Research Advisory) India Brand Study 2018.

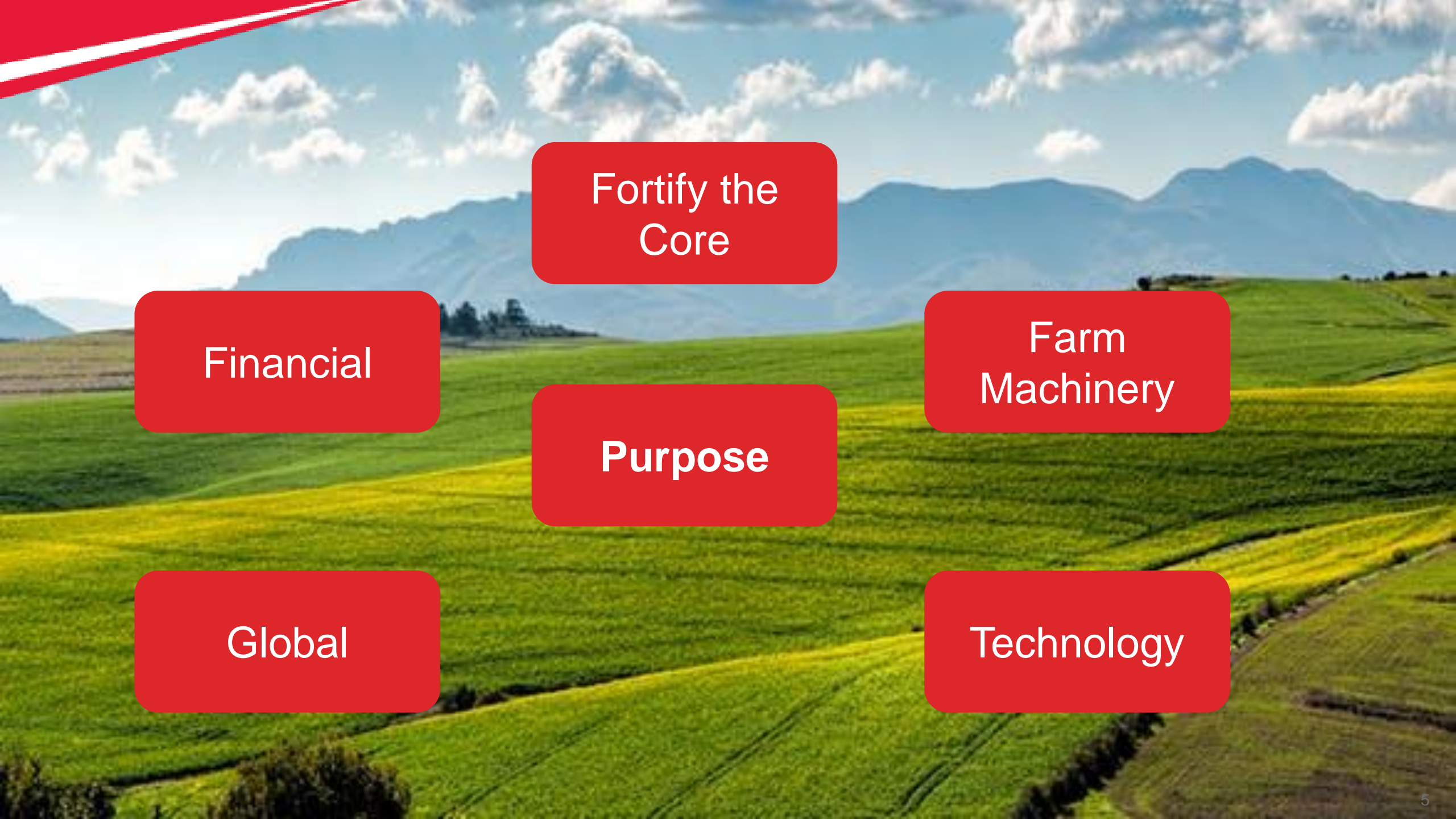




Purpose

To transform lives of farmers, enabling them to RISE

Democratizing Technology for small land holding farmers, globally



Fortify the
Core

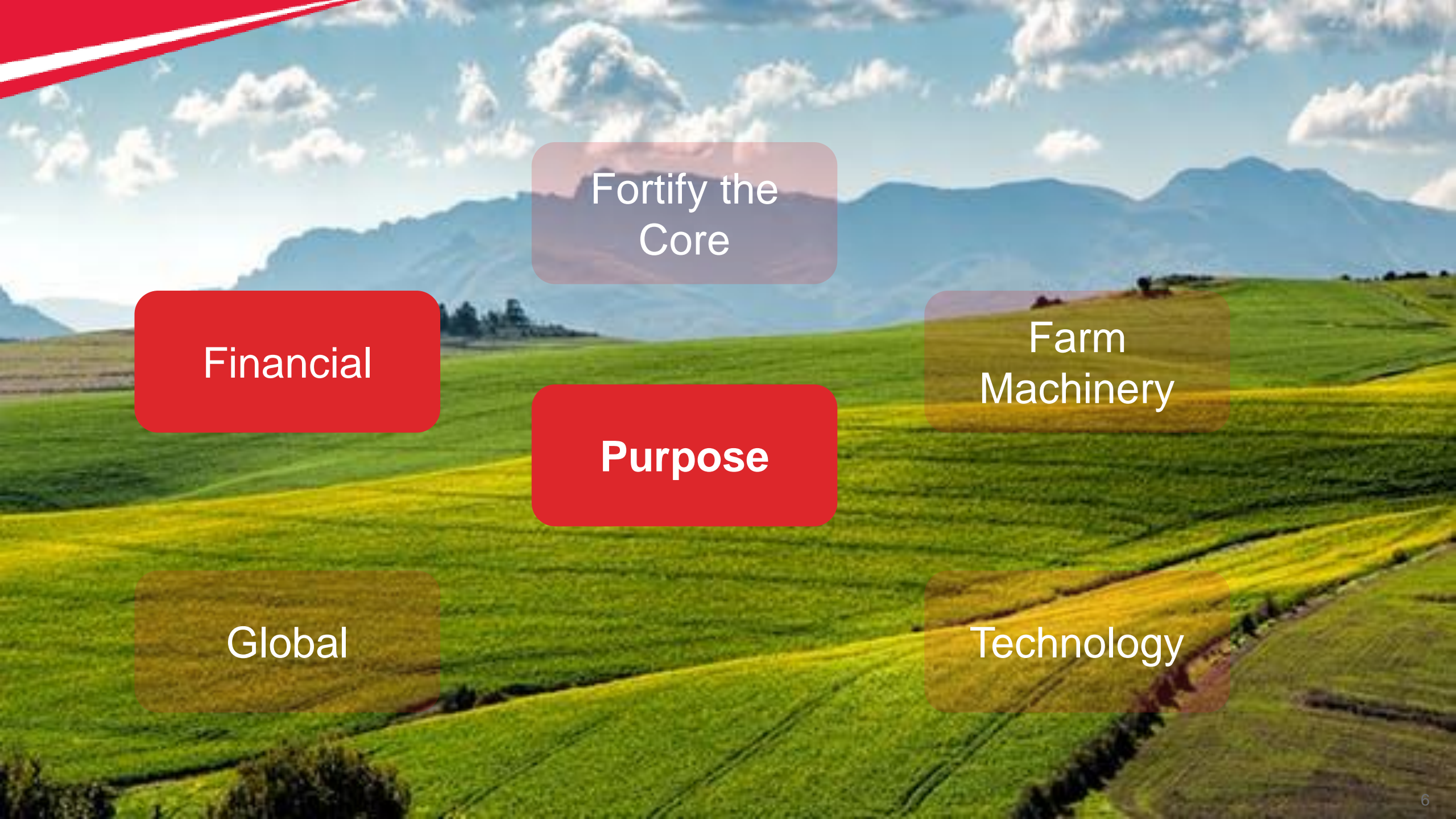
Financial

Farm
Machinery

Purpose

Global

Technology



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M&M FES : F19 Performance

Industry

787,304

▲ 8.0%

Highest Ever

Dom. Volume*

316,742

▲ 4.2%

Highest Ever

Revenue

16,875 Crs

▲ 6.8%

Highest Ever

PBIT

3,265 Crs

▲ 3.8%

Highest Ever

PBIT %

19.3%

▼ -0.6%

A Tale of '2 Halves'

	April-Aug (5 Mths)	Sept-Mar (7 Mths)	F19 (12 Mths)
Tractor Industry	3,20,594 ▲ 19.7%	4,66,710 ▲ 1.2%	7,87,304 ▲ 8.0%
FES Domestic Volume*	1,35,309 ▲ 17.9%	1,81,433 ▼ -4.1%	3,16,742 ▲ 4.2%

*Includes Mahindra, Swaraj and Trakstar brands

M&M FES : Q4 F19 Performance

Industry

160,836

▼ -8.4%

Dom. Volume*

57,499

▼ -14.7%

Revenue

3,206 Crs

▼ -13.7%

PBIT

519 Crs

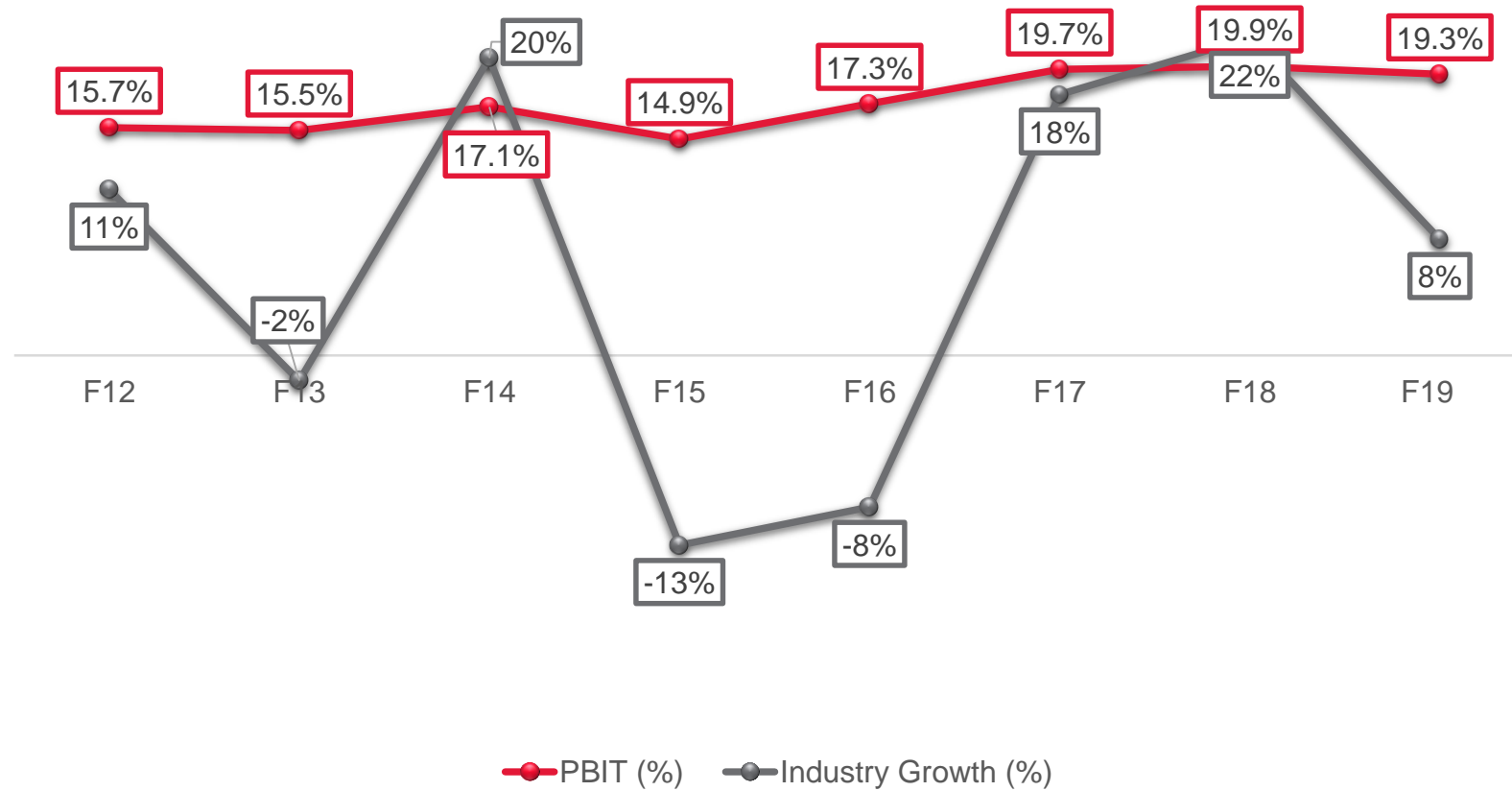
▼ -28.3%

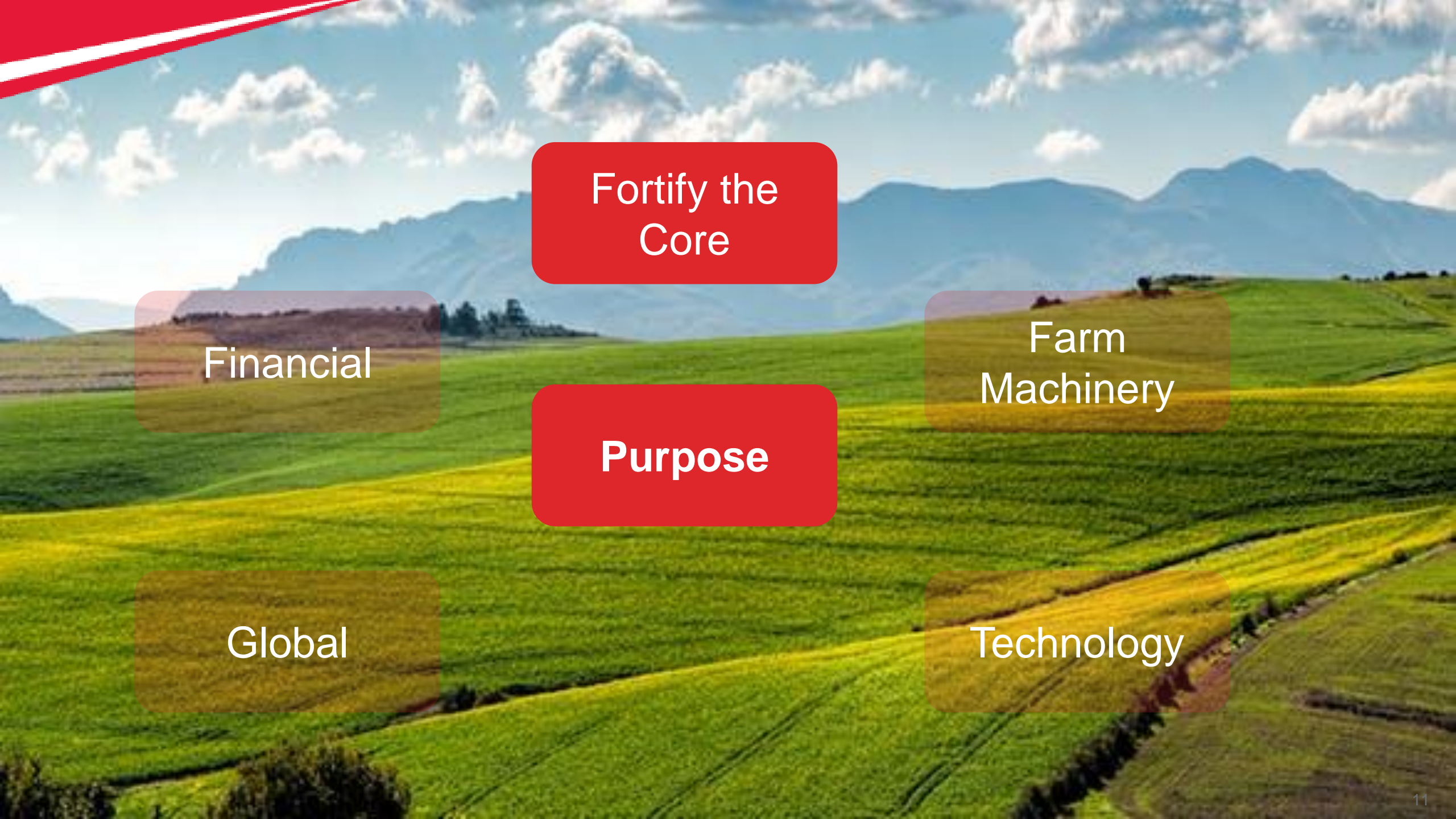
PBIT %

16.2%

▼ -3.3%

Stability in Volatility





Fortify the Core

Financial

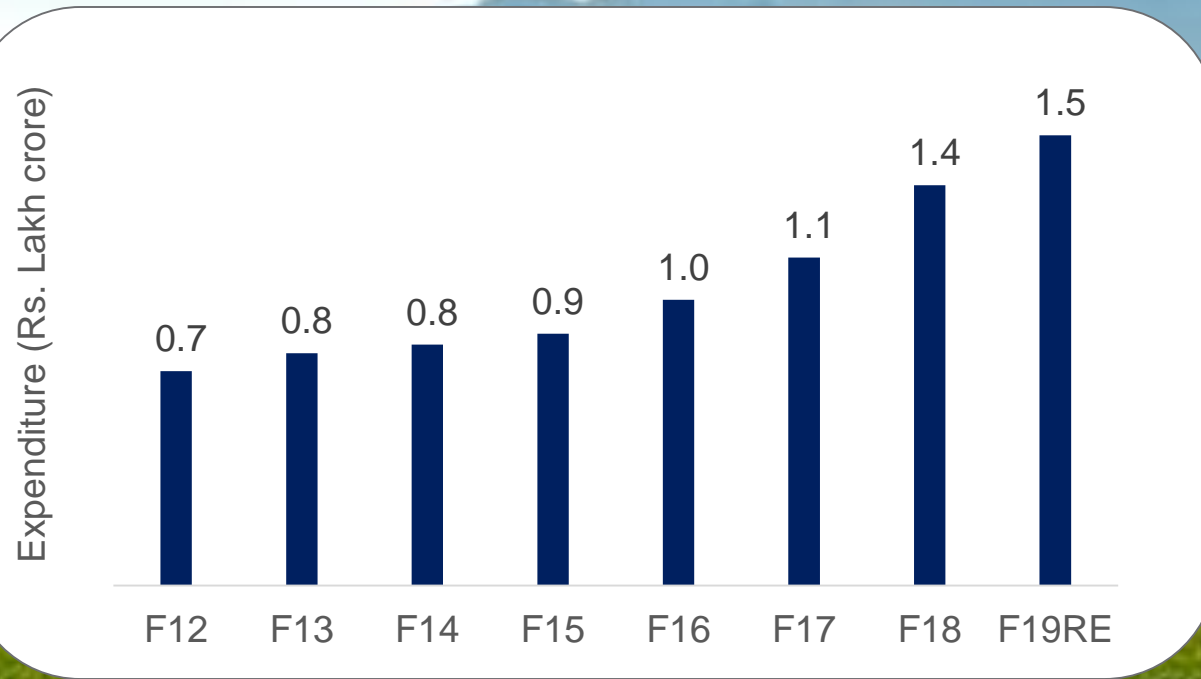
Farm Machinery

Purpose

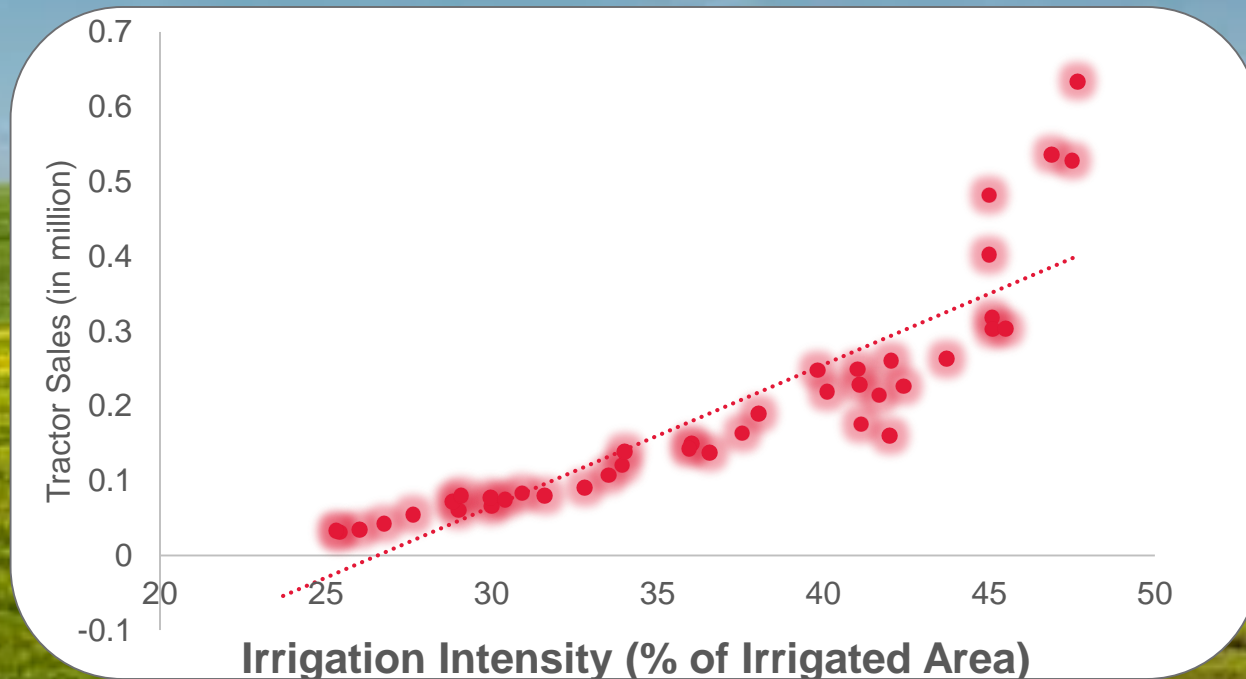
Global

Technology

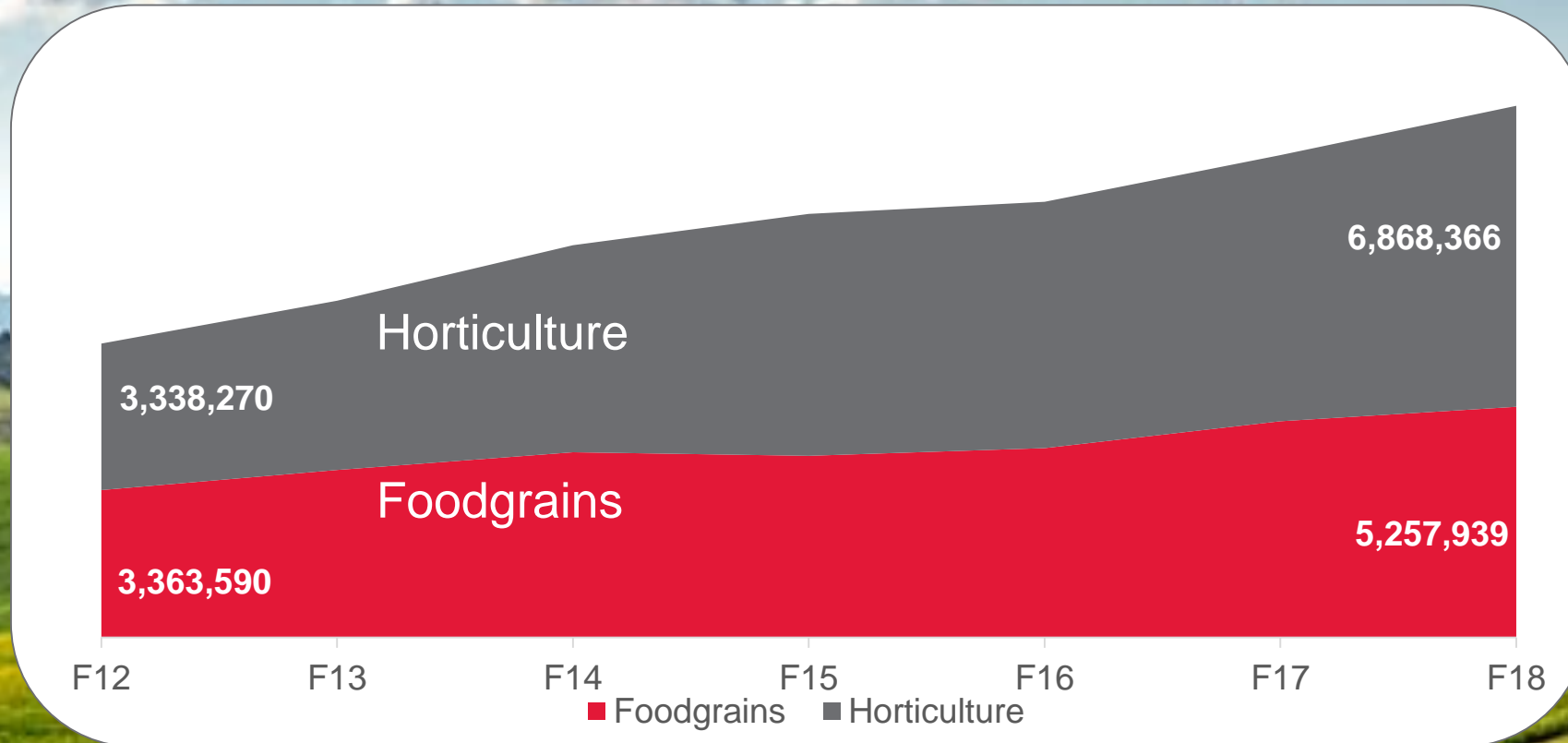
Increasing trend of investment on irrigation has a direct correlation to tractor sales growth



Govt Expenditure on Irrigation & Flood control – Rs. Lakh Crores



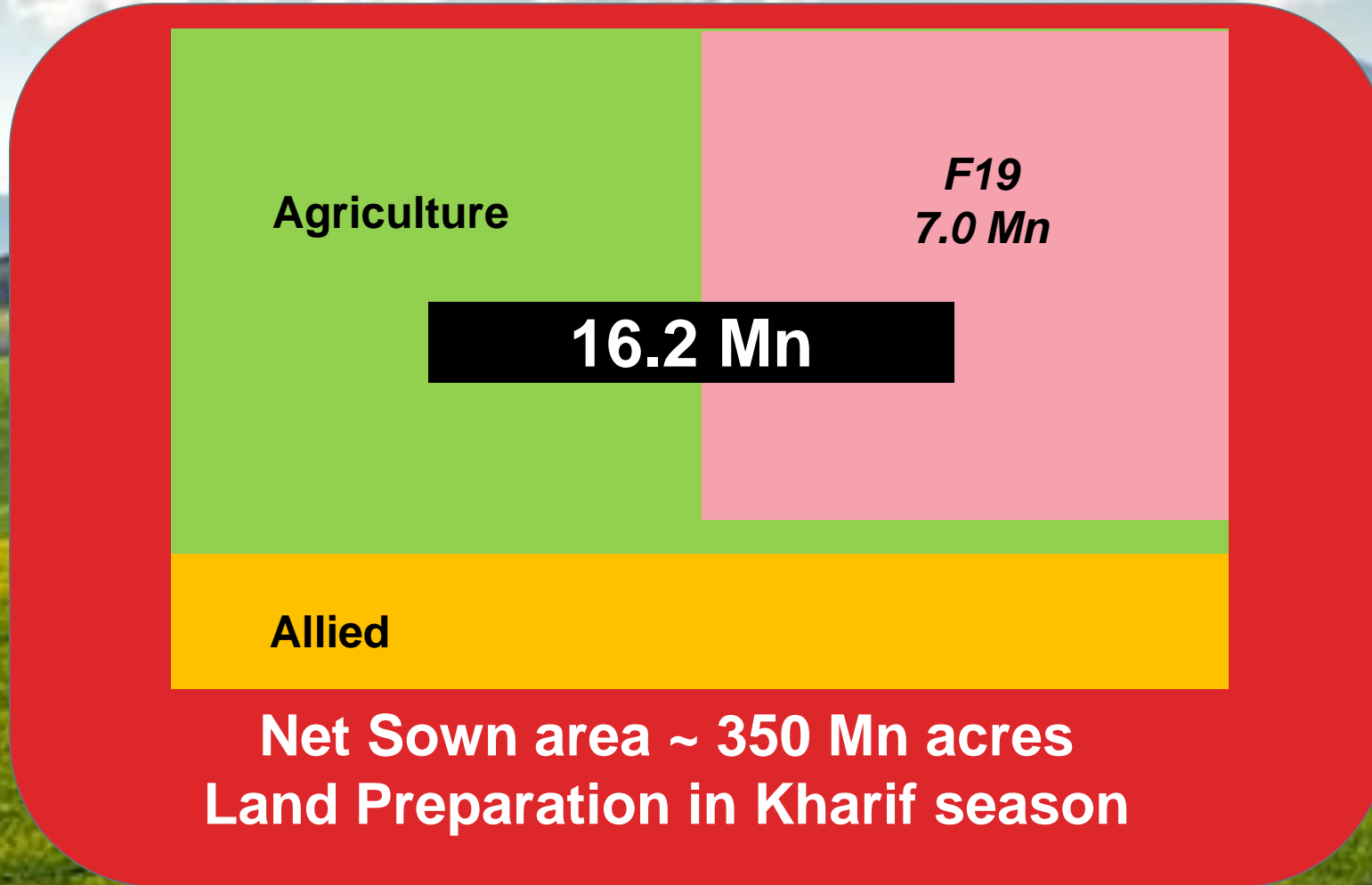
Increase in Horticulture is driving Agricultural Revenue



In next 5 years,
Horticulture Growth :
6%-9%
vs. ~2.9% for Foodgrains

Currently,
Horticulture mechanization is
~50% lower
than Paddy and Wheat

Current tractor population in India is estimated to be 43% of peak requirement

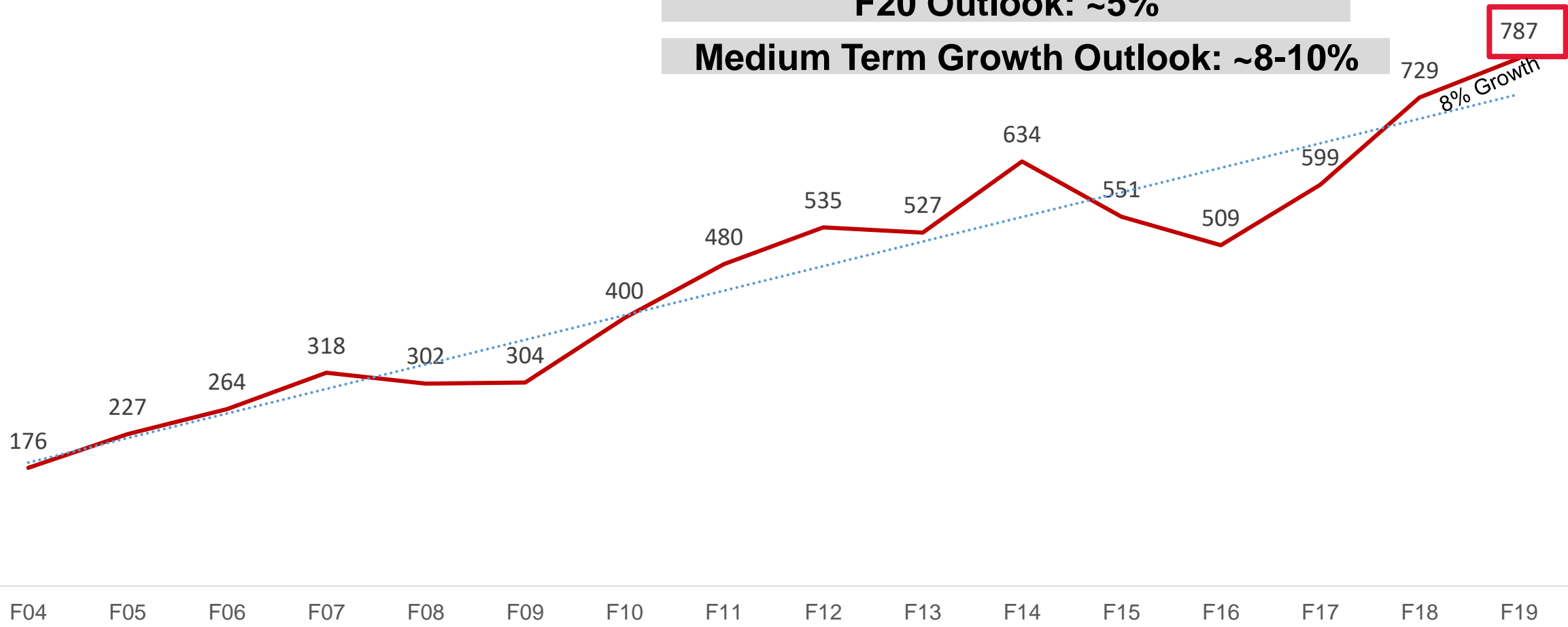


Historic Tractor Industry Growth Rate ~10.5%

Domestic Tractor Sales ('000)

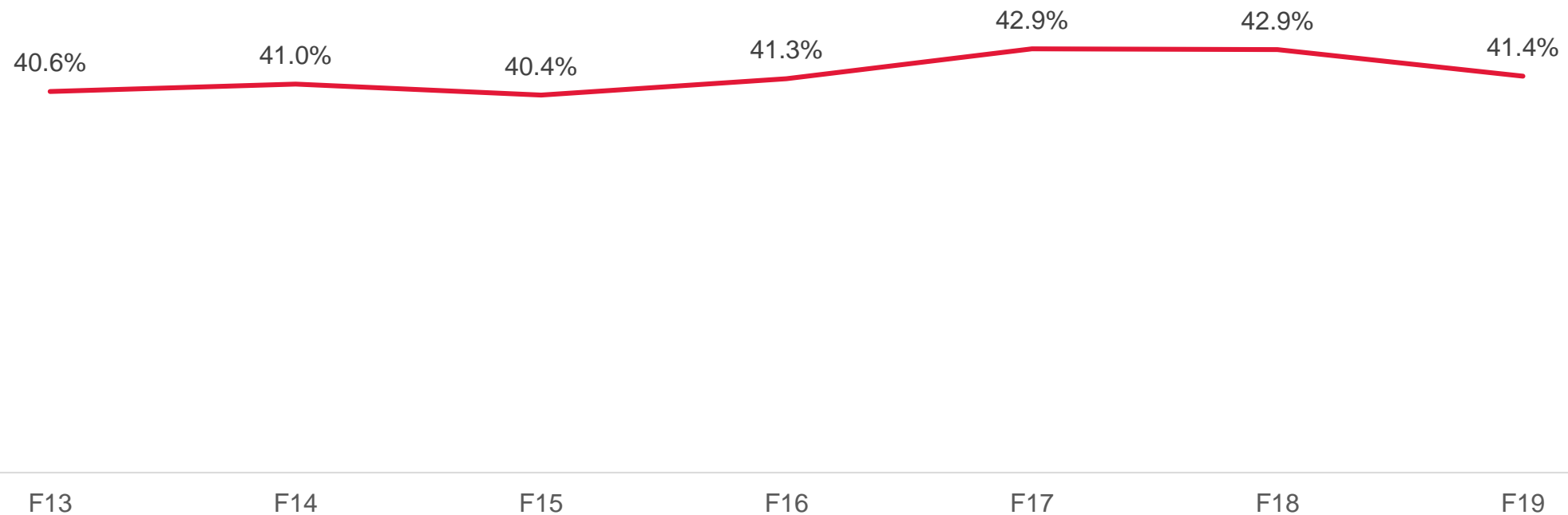
F20 Outlook: ~5%

Medium Term Growth Outlook: ~8-10%



From F16, Addition of 5 New players in the TMA Data

Continuing Domestic Leadership



3 Brand Strategy



**Pioneering
Technology**



**Reliable,
Powerful,
Authentic**

TRAKSTAR
TRACTOR JO BADAL DE LIFE KA TRACK

**Affordable
Mechanization**

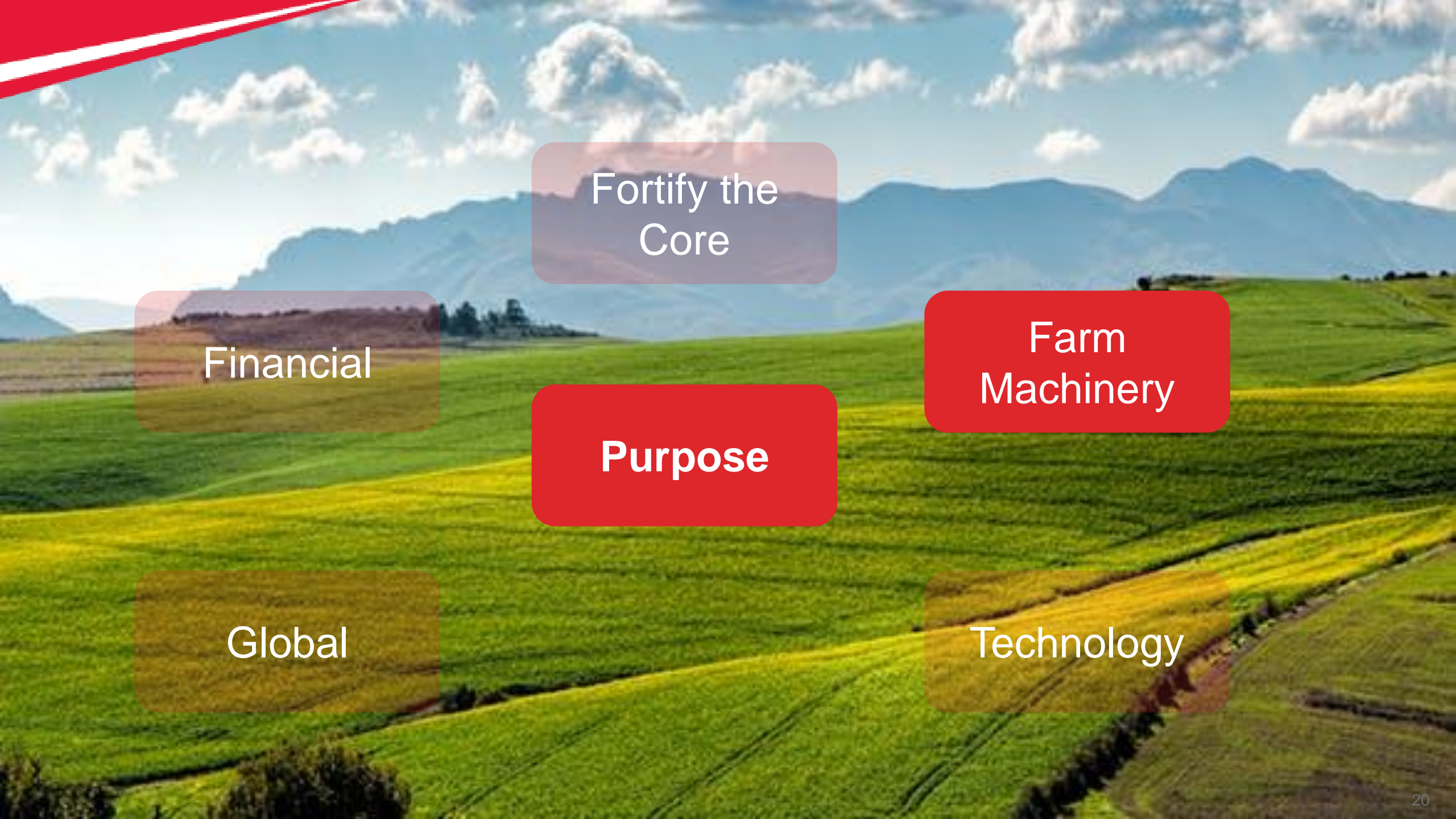
Focus Areas

- Leverage Product / Technology
- Solution Selling – Farming as a Service (FaaS)
- Channel – Reinforcing & Expansion
- Establish third Brand – Trakstar



The Upside of Domestic

Medium term Domestic Industry
growth of ~8-10%



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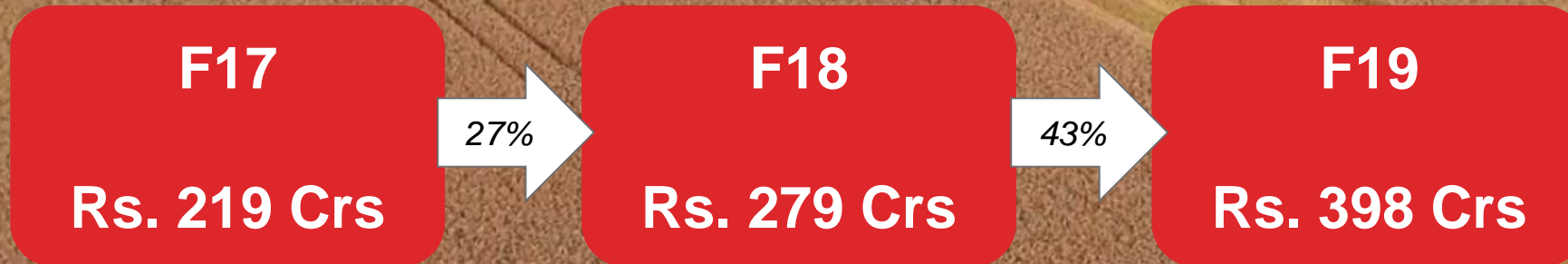
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M&M FES : Farm Machinery India Journey





**India is
Tractorized,
not Mechanized**

**India's Tractor
Industry
Rs. 39,000 Cr**

**India's Farm
Machinery
Industry
Rs. 7,000 Cr
(Organized Sector)**

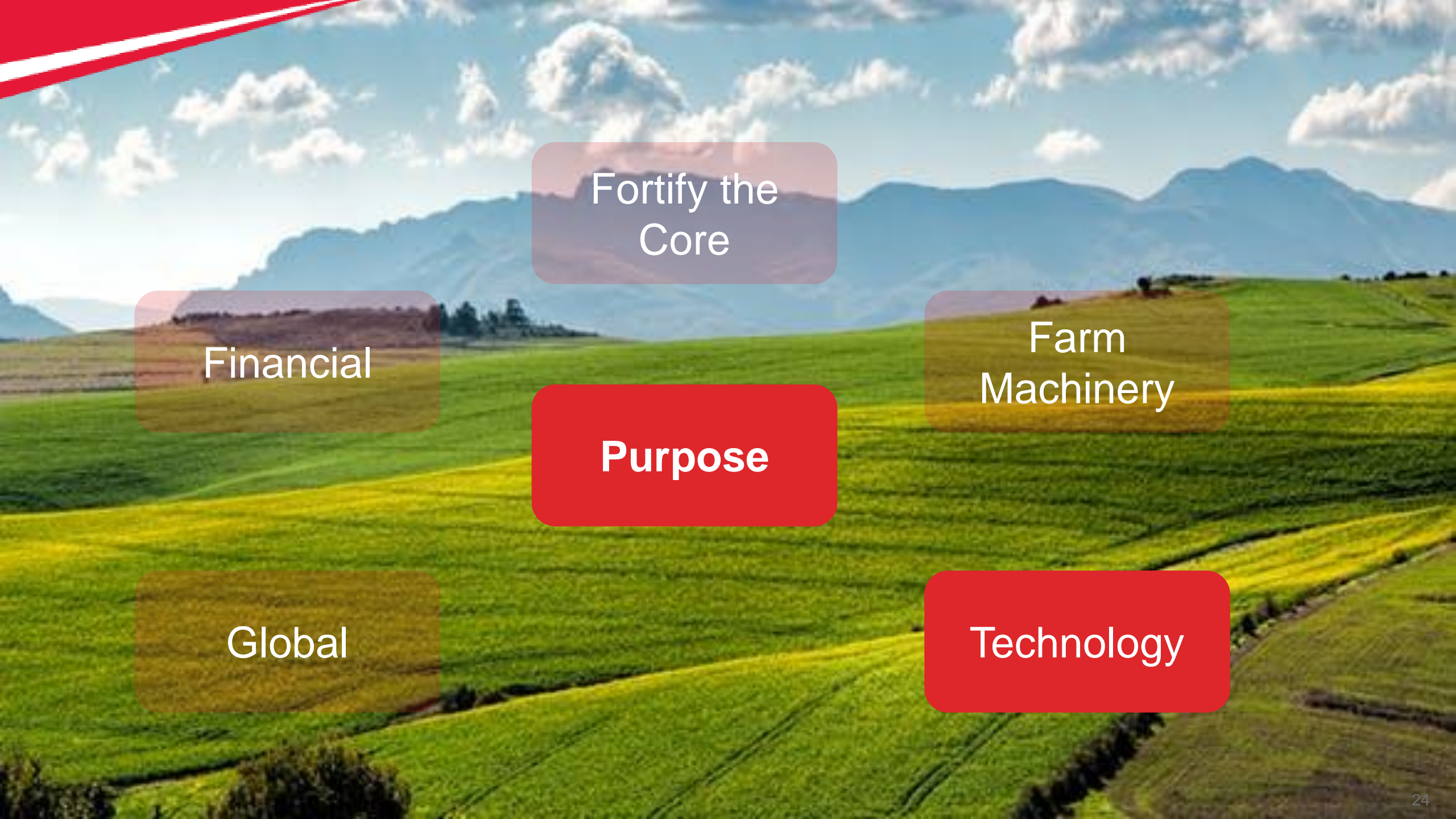


**The Upside
of Farm
Machinery**

**From Global Revenue
US\$ 360 Mn**



**To Aspiration
US\$ 1 Bn**



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Farming as a Service (FaaS)

A service led approach to farmer engagement ensuring support throughout the customer journey, through appropriate product, service and technology solutions.

Services, Technologies



Precision Farming Solutions

Startup Investments

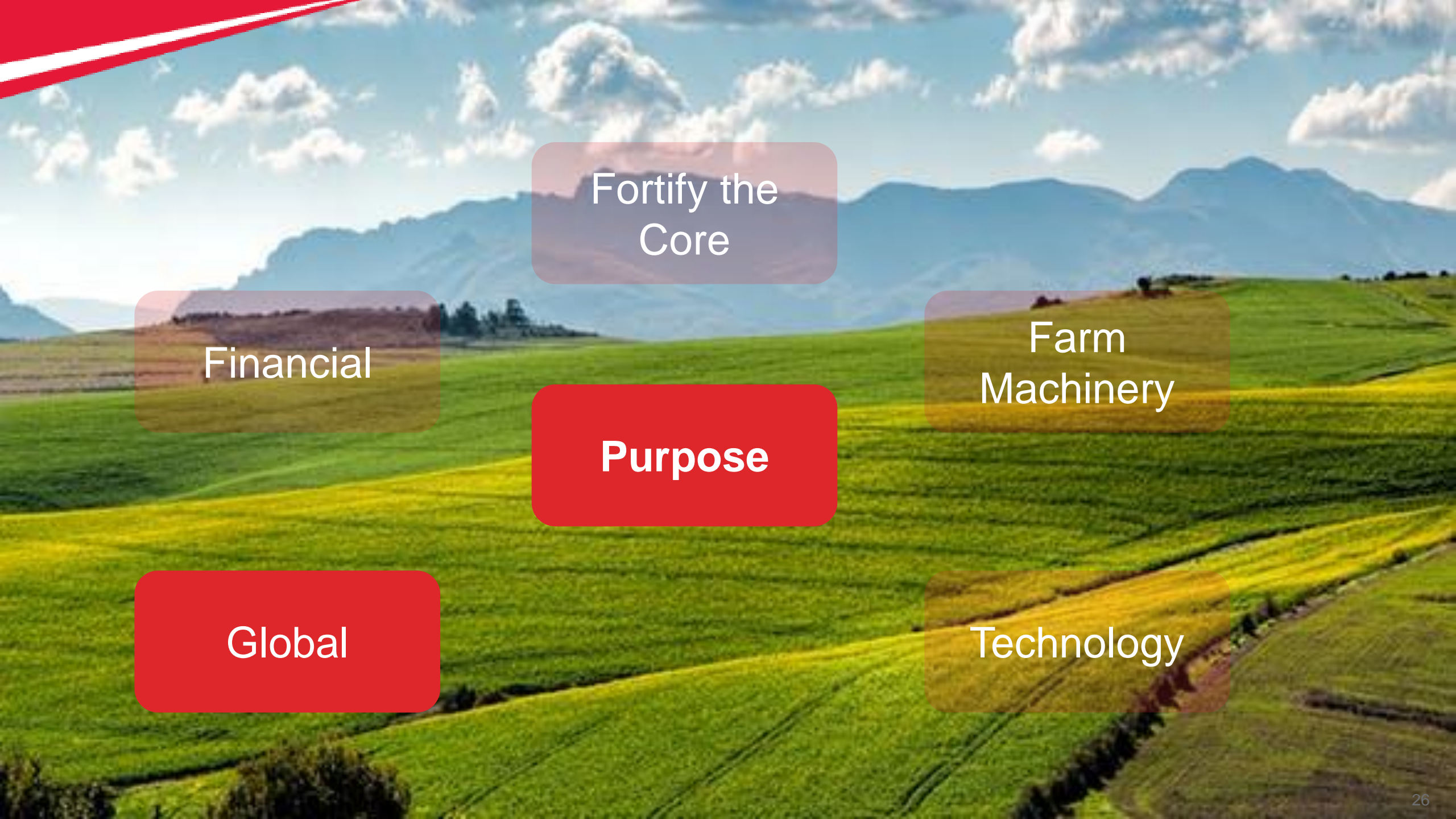


Products



Business Impact

- **Brand differentiation** – through integrated value propositions
- **Revenue growth** – from equipment, crop inputs and services
- **Higher farmer productivity**



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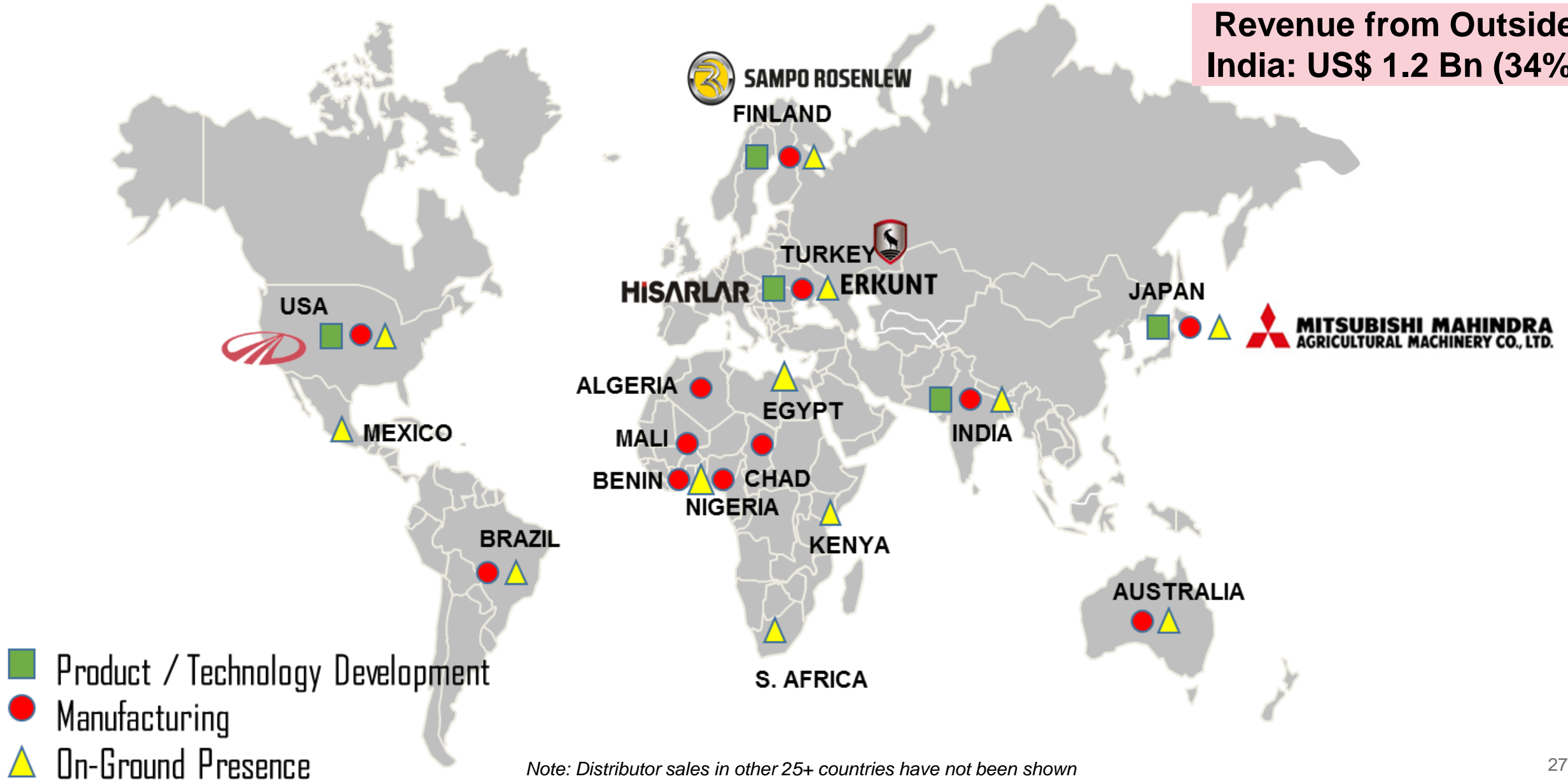
Purpose

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Growing Global Footprint

Revenue from Outside India: US\$ 1.2 Bn (34%)

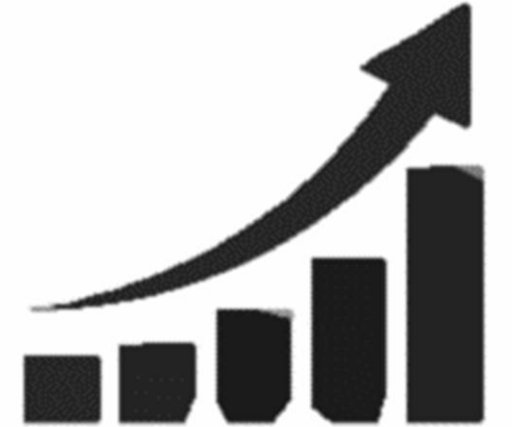


Note: Distributor sales in other 25+ countries have not been shown

Upside of Rise.... Global Subsidiaries

Vision to improve PBIT over the next 3-5 years to 5% by focusing on :

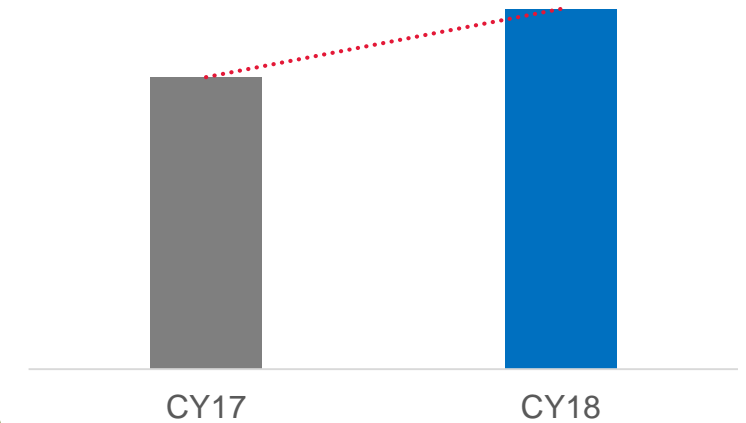
- 1. 'Operating leverage through Volume growth'**
- 2. 'Profit Improvement plan'**



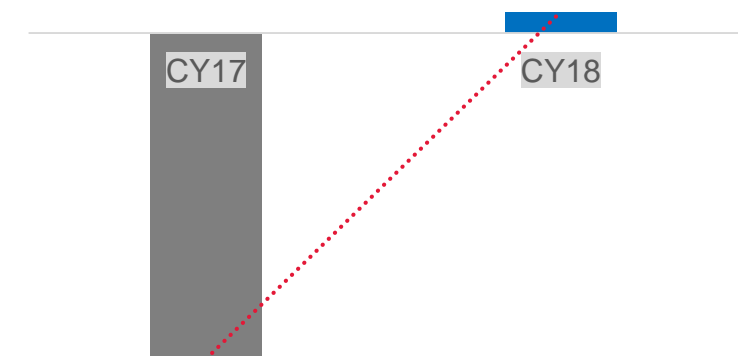
Turkey – Turnaround in difficult Economy

- Growth across all Businesses
- Focus on Exports
- Launch of New Products
- Cost Re-engineering Efforts
- Hedging Strategy
- Stringent Working Capital Management

Revenue

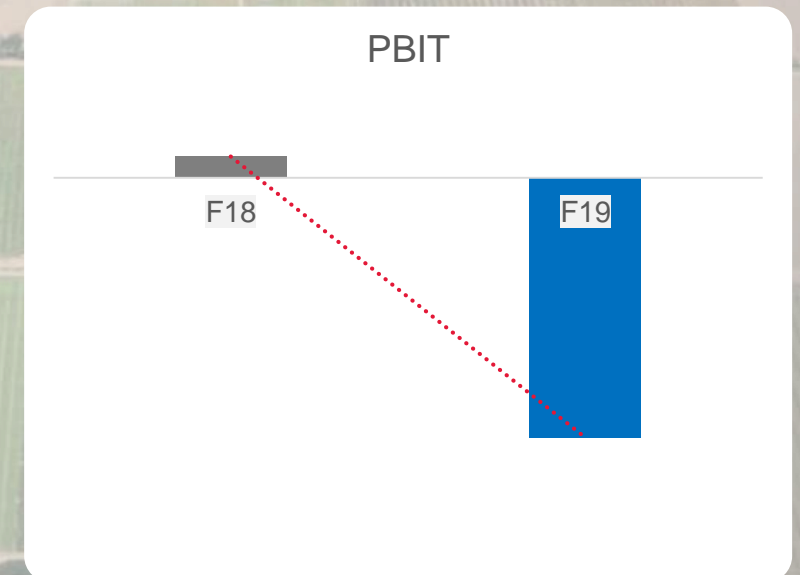
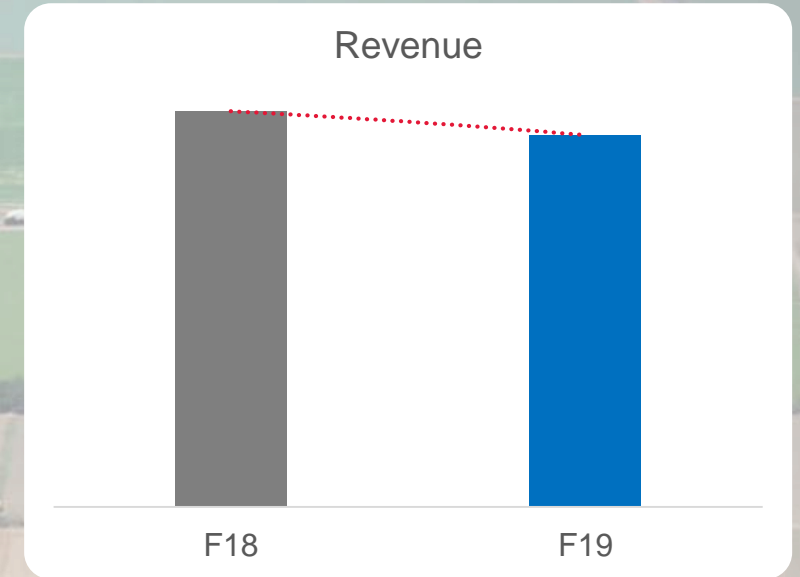


PBIT



MUSA – Creating Conditions for Profitable Growth

- Improve Supply Chain Management
 - Dealer Pipeline correction
- Cost Re-engineering Efforts
 - Cost Reduction Savings Target : 20%
- One-off Corrective actions taken in F19





The Upside of Rise

Medium term
Domestic Industry
growth of ~8-10%

Aspiration Global
Farm Machinery
Revenue : US\$ 1 Bn

Touching lives of
Farmers through
FaaS

Turnaround of Global
Subsidiaries

Mahindra
Rise.